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C O R R E C T E D C O P Y (RENUMBER PARAGRAPH)

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SUBJECT: U/S BURNS AND USD/P FLOURNOY MEETING WITH PM MALIKI

Classified By: Deputy Chief of Mission Patricia Butenis for Reasons 1.4 (b) and (d).

- 11. (C) SUMMARY Prime Minister Nouri al-Maliki stressed the importance of addressing challenges such as disputed internal boundaries (DIBs), reconciliation, and oil in a meeting with Under Secretary of State Bill Burns and Under Secretary of Defense for Policy Michele Flournoy on May 13, 2009. He noted that U.S.-Iraqi relations should focus on implementing the Strategic Framework Agreement (SFA) now that Iraq's security and political situation had improved. On DIBs, he said that the UN reports could provide a foundation for progress, but stressed that Kirkuk must remain a part of Iraq. On national elections, Maliki voiced his preference for an open list system. With Iraq's neighbors, Maliki was initially confident, citing improved internal stability and positive spillover from U.S. dialogues. He became less sanguine on Kuwait, saying that the Kuwaitis were unhelpful and did not want a solution to their bilateral issues. He added that borders should be discussed further. Maliki also expressed a wish to retain Iraq's immunity from pending U.S. lawsuits. END SUMMARY
- 12. (C) U/S Burns emphasized the continuing U.S. commitment to Iraq. The Prime Minister expressed his wish to focus on the long term strategic relationship under the Strategic Framework Agreement (SFA). The Iraqi Security Forces (ISF) are strong partners in countering terrorism and the security and political situation is under control, despite recent incidents. U/S Flournoy noted that progress on outstanding issues such as reconciliation, disputed internal boundaries (DIBs), and elections will facilitate developing bilateral security ties and fulfilling the SFA. Maliki responded that the security assistance relationship under the Foreign Military Sales (FMS) program was more limited than the press implies, and that the broader array of U.S.-Iraq ties foreseen by the SFA, rather than security programs, should be the centerpiece of the relationship.

Reconciliation

¶3. (C) After U/S Flournoy pressed Maliki on reconciliation, DIBs and elections, Maliki said that reconciliation was an ongoing process; it was about building agreement among the Iraqi people on the principles of government and the state. He said that Iraqis must agree that all were equal before the law without sectarian distinctions, unlike in the past. He added that for him personally, this was the cornerstone of national reconciliation. Moreover, he averred, without national reconciliation, there could be no stable political system.

DIBS

14. (C) On DIBs, Maliki stressed the unity of Iraq. He noted that in light of recent tensions, many issues were exaggerated, but that they must be settled in the

constitutional process. He declared that the Peshmerga's recent actions in Ninewa were similar to a coup and that there should be legal action against those responsible. Moreover, he claimed, Peshmerga activities were in opposition to national reconciliation and unity. He conceded that the UNAMI DIBs reports could provide a foundation for talks, but noted that there were gaps in the reports. More specifically, he identified the issue of Kirkuk, which was clearly a part of Iraq according to the constitution.

Oil

15. (C) Maliki also referred to the constitution with regard to oil. He said the constitution was quite clear: oil belongs to all Iraqis. As such, he claimed, Basra has no right to contract with independent companies. Moreover, oil in the Kurdish areas should go into Iraqi pipelines and the revenues into the Iraqi budget. This issue, he declared, like disputed territories and national reconciliation, must be discussed and decided according to the constitution.

## National Elections

16. (C) Concerning elections, Maliki admitted that preparations have not begun. He said that IHEC's previous experience and infrastructure will help it prepare for upcoming Kurdish and national elections. Maliki stated that his campaign would focus on national unity, not sectarianism, and that he preferred open lists. He opined, however, that an open list election with the current number of parties might create "too many" choices, and could splinter the political agenda. He said there should be fewer parties, preferably two or three. He added that financing the elections is not an issue, and that if a new elections law is not adopted by the CoR, the current legislation could be used as a basis.

## Lawsuits

17. (C) Maliki noted that he spoke to Secretary Clinton about the need to protect Iraqi assets in the U.S. from lawsuits. He said that the lawsuits were against the previous regime, and that there should be an overarching settlement rather than dealing with individual cases one by one. He noted that he would send committee members to the U.S. as soon as possible to begin negotiations, but also that Iraqi assets should be protected until a solution is reached.

## Neighbors

18. (C) When asked by U/S Burns about Iraq's relations with its neighbors, Maliki noted that relations were improving in part due to Iraq's increased internal stability and growing economic relationships. Iraq was no longer weak, which made those who would attempt infiltration to rethink their plans. He admitted that negative activity from some neighbors continues, although at much lower rates. The Prime Minister also noted, however, that U.S. dialogue with Iraq's neighbors was helpful and that the previous Administration's policies had complicated Iraqi regional relations. He stressed that U.S. talks with Syria and Iran would help reduce regional tensions.

## KUWAIT

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19. (C) When asked about Iraqi-Kuwaiti relations, Maliki said he was talking to all members of the UN Security Council. He complained that the disagreement was a legacy of the Kuwait invasion that would require decades to resolve. Many issues remain, and the Iraqi people were still being punished for the actions of the previous regime. Maliki asked what was being done about Kuwaiti intransigence. He said he had raised Chapter 7 with Kuwait's leadership and proposed a

committee to discuss the issues, but that Kuwait had refused. When Charge d'Affaires Butenis noted that the fundamental Kuwaiti concern was one of borders, the Prime Minister stated that the border was an international issue which should be discussed alongside other issues. The (current) border, he said, was set in Iraq's absence, stressing that a border should not be established without all parties' concurrence. He also claimed that Iran and Kuwait want to take Iraqi coasts, deep water ports, and sea access. The PM concluded by saying that Kuwait did not want to solve the problem and that the Kuwaitis must cooperate on reducing tensions. He did affirm that the only resolution of disputes with neighboring countries is through the parameters of international law. Iraq accepted that Kuwait was an independent country, but expected Kuwait to be willing to discuss their differences.

 $\underline{\mathbb{1}}10.$  (U) U/S Burns and USD/P Flournoy have cleared on this cable. HILL